



**Health Services**  
LOS ANGELES COUNTY

Los Angeles County  
Board of Supervisors

November 15, 2006

Gloria Molina  
First District

Yvonne B. Burke  
Second District

Zev Yaroslavsky  
Third District

Don Knabe  
Fourth District

Michael D. Antonovich  
Fifth District

TO: Each Supervisor

FROM: Bruce A. Chernof, M.D.  
Director and Chief Medical Officer

SUBJECT: **PATIENT ACCOUNT COMPROMISE REPORT -  
FIRST QUARTER FISCAL YEAR (FY) 2006 - 2007**

Bruce A. Chernof, MD  
Director and Chief Medical Officer

John R. Cochran III  
Chief Deputy Director

William Loos, MD  
Acting Senior Medical Officer

Attached is DHS' quarterly report of approved account compromises which shows the liability reduced and the reasons for such reductions. For the first quarter covering July 1, 2006 through September 30, 2006, total liability reductions were \$2.16 million (23%) and corresponding approved compromise offers were \$7.13 million (77%).

If you have questions or desire additional information, please let me know.

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BAC:lg  
(LUMARTINEZFY0607COMPROMISEREPORTQ1MEMO.DOC)  
611:004

Attachment

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Auditor-Controller  
Treasurer Tax Collector

*To improve health  
through leadership,  
service and education.*



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**COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES  
APPROVED PATIENT ACCOUNT COMPROMISES  
FISCAL YEAR 2006 - 2007  
FIRST QUARTER**

FACILITY	NUMBER OF ACCOUNTS	APPROVED OFFER OF LIABILITY	APPROVED TOTAL	REASON(S) FOR COMPROMISE
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<b>NORTHEAST AREA</b>				
Hospital	226	\$ 3,612,888	\$ 1,175,068	Two-hundred-one (201) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
				Twenty-three (23) accounts as third-party claims settled.
	0	\$ -	\$ -	Two (2) accounts as amounts exceeded patients' current financial resources to pay.
<b>TOTAL NORTHEAST AREA</b>				
	226	\$ 3,612,888	\$ 1,175,068	

<b>SOUTHWEST AREA</b>				
Hospital	55	\$ 887,153	\$ 157,614	Forty-nine (49) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
				Six (6) accounts as third-party claims settled.
	0	\$ -	\$ -	
<b>TOTAL SOUTHWEST AREA</b>				
	55	\$ 887,153	\$ 157,614	

<b>SAN FERNANDO VALLEY AREA</b>				
Hospital	61	\$ 178,535	\$ 85,662	Thirty-three (33) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
				Twenty-eight (28) accounts as amounts exceeded patients' current financial resources to pay.
	0	\$ -	\$ -	
<b>TOTAL SAN FERNANDO VALLEY AREA</b>				
	61	\$ 178,535	\$ 85,662	

<b>COASTAL AREA</b>				
Hospital	207	\$ 2,449,499	\$ 735,490	Seventy (70) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
				One-hundred-eleven (111) accounts as amounts exceeded patients' current financial resources to pay.
	0	\$ -	\$ -	Twenty-six (26) accounts as third-party claims settled.
<b>TOTAL COASTAL AREA</b>				
	207	\$ 2,449,499	\$ 735,490	

<b>ANTELOPE VALLEY AREA</b>				
MACC	6	\$ 985	\$ 765	Six (6) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
CHC/HC	0	\$ -	\$ -	
<b>TOTAL ANTELOPE VALLEY AREA</b>				
	6	\$ 985	\$ 765	

<b>RANCHO LOS AMIGOS</b>				
	5	\$ 3,758	\$ 3,318	Five (5) accounts as amounts exceeded patients' current financial resources to pay.
<b>TOTAL RANCHO LOS AMIGOS</b>				
	5	\$ 3,758	\$ 3,318	
<b>TOTAL FY 06-07 - 1ST QTR ALL FACILITIES</b>				
	560	\$ 7,132,818	\$ 2,157,917	
<b>COLLECTION RATIO FY 06-07 - 1ST QTR - ALL FACILITIES</b>				
		77%		
<b>COLLECTION RATIO FY 06-07 YTD - ALL FACILITIES</b>				
		77%		
<b>COLLECTION RATIO FY 05-06 ALL FACILITIES</b>				
				72%